

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
W. R. GRACE & CO., *et al.*,¹) Case No. 01-1139 (JKF)
) Jointly Administered
Debtors.)

Objection Deadline: November 21, 2005 at 4:00 p.m. (prevailing Eastern time)

Hearing Date: March 27, 2006 at 12:00 p.m. (prevailing Eastern time)

**SUMMARY APPLICATION OF LATHAM & WATKINS LLP
FOR COMPENSATION FOR SERVICES AND REIMBURSEMENT
OF EXPENSES AS SPECIAL ENVIRONMENTAL COUNSEL TO
W.R. GRACE & CO., ET AL., FOR THE EIGHTEENTH INTERIM PERIOD
FROM JULY 1, 2005 THROUGH SEPTEMBER 30, 2005**

Name of Applicant: Latham & Watkins LLP ("L&W")

Authorized to Provide Professional Services to: W. R. Grace & Co., et al., Debtors and Debtors-in Possession

Date of Retention: Retention Order entered June 16, 2004, effective nunc pro tunc from April 1, 2001.

Period for which compensation and reimbursement is sought: July 1, 2005 through September 30, 2005

Amount of Compensation sought as actual, reasonable and necessary: \$2,827.00

Amount of Expense Reimbursement sought as actual, reasonable and necessary: (\$53.28)

This is a(n) monthly, X interim, final application.

¹ The debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester new Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Koontenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc.), E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

The total time expended for the preparation of this application is approximately 3 hours, and the corresponding estimated compensation *that will be requested in a future application* is approximately \$1,200.00.

This is the first application for interim compensation of services for the July - September 2005 quarter that the Debtors have filed with the Bankruptcy Court in the Chapter 11 Cases. The following applications have been filed previously in the Chapter 11 Cases:

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
On or about August 9, 2004	December 2003 – June 2004	\$211,719.00	\$6,927.50	All fees approved	\$6,897.50 approved
On or about August 25, 2004	July 1, 2004 – July 31, 2004	\$11,334.50	\$201.32	All fees approved	All expenses approved
On or about October 25, 2004	August 1, 2004 – August 31, 2004 and September 1, 2004 – September 30, 2004	\$81,729.50	\$5,199.44	All fees approved	All expenses approved
On or about November 25, 2004	October 1, 2004 – October 30, 2004	\$45,050.00	\$1,825.59	All fees approved	All expenses approved
On or about December 25, 2004	November 1, 2004 – November 30, 2004	\$31,913.50	\$1,509.91	All fees approved	All expenses approved
On or about January 25, 2005	December 1, 2004 – December 31, 2004	\$26,177.50	\$1,282.35	All fees approved	All expenses approved
On or about February 4, 2005	July 1, 2004 – September 30, 2004	\$93,064.00	\$5,400.76	All fees approved	All expenses approved
On or about February 25, 2005	January 1, 2005 – January 31, 2005	\$23,485.50	\$3,14.93	Awaiting approval	Awaiting approval
On or about March 25, 2005	February 1, 2005 – February 28, 2005	\$22,065.00	\$628.01	Awaiting approval	Awaiting approval
On or about May 19, 2005	October 1, 2004 – December 31, 2004	\$103,141.00	\$4,617.85	All fees approved	All expenses approved
On or about May 24, 2005	March 1, 2005 – March 31, 2005	\$39,952.00	\$160.88	Awaiting approval	Awaiting approval
On or about May 24, 2005	January 1, 2005 – March 31, 2005	\$85,502.50	\$1,103.82	Awaiting approval	Awaiting approval
On or about May 26, 2005	April 1, 2005 – April 30, 2005	\$33,385.50	\$593.50	Awaiting approval	Awaiting approval
On or about July 8, 2005	May 1, 2005 – May 31, 2005	\$15,799.50	\$956.63	Awaiting approval	Awaiting approval
On or about August 9, 2005	June 1, 2005 – June 30, 2005	\$3,343.00	\$332.11	Awaiting approval	Awaiting approval
On or about August 9, 2005	April 1, 2005 – June 30, 2005	\$52,528.00	\$1,882.24	Awaiting approval	Awaiting approval
On or about September 19, 2005	July 1, 2005 – July 31, 2005	\$1,392.00	\$8.93	Awaiting approval	Awaiting approval

2005					
On or about October 10, 2005	August 1, 2005 – August 31, 2005	\$698.50	\$39.03	Awaiting approval	Awaiting approval

The hearing for the Quarterly Application for the interim period April 1, 2005 through June 30, 2005 is scheduled for December 19, 2005.

The L&W attorneys who rendered professional services in these cases during the Fee Period are:

Name of Attorney	Position with the Applicant	Number of Years as an Attorney	Department	Hourly Billing Rate	Total Billed Hours	Total Compensation
John McGahren	Partner	15	Environmental	510.00	1.70	\$867.00
Kellie Ortega	Associate	2	Environmental	295.00	0.70	\$206.50
Total for Attorneys					2.40	\$1,073.50

The L&W legal assistants who rendered professional services in these cases during the Fee Period is:

Name of Legal Assistant	Position with the Applicant	Department	Hourly Billing Rate	Total Billed Hours	Total Compensation
Manny J. Alvelo	Project Assistant	Environmental	105.00	16.70	\$1,753.50
Total for Legal Assistants				16.70	\$1,753.50

Compensation by Matter

Matter Number	Matter	Total Hours	Total Fees Requested
029016-0001	Hatco Remediation	1.70	\$867.00
029016-0003	Special Counsel Fee Application	17.40	\$1,960.00
Total		19.10	\$2,827.00

Expense Summary for Hatco Remediation

Description	Amount
Photocopying	\$16.32
Telephone	\$3.80
Total	\$20.12

Expense Summary for Special Environmental Counsel Application

Description	Amount
Federal Express	\$21.60
Photocopying	\$11.56
Total	\$33.16

Project Category Breakdown

Category	18th Quarter	Cumulative through 18th Quarter
Category Code 11 – Fee Applications, Applicant	\$1,960.00	
Category Code 24 – Other	\$867.00	\$651,922.50
PROJECT CATEGORY – TOTAL FEES	\$2,827.00	\$651,922.50
PROJECT CATEGORY – TOTAL EXPENSES	\$53.28	\$24,603.30
PROJECT CATEGORY – TOTAL FEES AND EXPENSES	\$2,880.28	\$676,525.80
FEE APPLICATION - TOTAL FEES	\$2,827.00	\$651,922.50
FEE APPLICATION – TOTAL EXPENSES	\$53.28	\$24,603.30
FEE APPLICATION – TOTAL FEES AND EXPENSES	\$2,880.28	\$676,525.80


WHEREFORE, L&W respectfully requests (a) that an allowance be made to it, as fully described above for (i) the amount of **\$2,827.00** for reasonable and necessary professional services L&W has rendered to the Debtors during the Fee Period and (ii) the reimbursement of actual and necessary costs and expenses incurred by L&W during the Fee Period (**\$53.28**); (b) that both fees and expenses are payable as administrative expenses of the Debtors' estates; and

(c) that this Court grant such further relief as is equitable and just.

Newark, New Jersey
Dated: October 26, 2005

Respectfully submitted,

LATHAM & WATKINS LLP



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